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Attorneys for CitiMortgage, Inc.

8 **UNITED STATES BANKRUPTCY COURT**
9 **DISTRICT OF ARIZONA – PHOENIX DIVISION**

10 In re

11 PATRICK H SCHMIDT AND REBECCA S
12 SCHMIDT,

13 Debtors.

Case No. 2:10-bk-35744-RJH

Chapter 11

14
15 **STIPULATION RE: TREATMENT OF**
16 **CITIMORTGAGE, INC.'S CLAIM**
17 **UNDER DEBTORS' PROPOSED**
18 **CHAPTER 11 PLAN OF**
19 **REORGANIZATION AND RESOLVING**
20 **CITIMORTGAGE, INC.'S MOTION**
21 **FOR RELIEF FROM AUTOMATIC**
22 **STAY**

Hearing:

20 DATE: January 9, 2012

21 TIME: 10:00 a.m.

22 PLACE: Courtroom 603

23 This Stipulation is entered into by and between Secured Citi, CitiMortgage, Inc. ("Citi"),
24 by and through its attorneys of record, and Patrick H Schmidt and Rebecca S Schmidt, (the
25 "Debtors"), by their attorneys of record.

26 The property which is the subject of this matter is commonly known as 1344 E Whitton
27 Avenue, Phoenix, Arizona 85014-5167 (hereinafter the "Subject Property"), which is legally
28 described as follows:

1 LOT FOURTEEN (14), BLOCK SIX (6), LONGVIEW ACRES, ACCORDING
2 TO THE PLAT OF RECORD IN THE OFFICE OF THE COUNTY
3 RECORDER OF MARICOPA COUNTY, ARIZONA IN BOOK 31 OF MAPS,
PAGE 04.

4 On or about July 7, 2003, Debtors, for valuable consideration, made, executed and
5 delivered to Irwin Mortgage Corporation ("Lender") a Note in the principal sum of \$97,600.00
6 (the "Note").

7 On or about July 7, 2003, Debtors made, executed and delivered to Lender a Deed of
8 Trust (the "Deed of Trust") granting Lender a security interest in the Subject Property. The Deed
9 of Trust was recorded on July 17, 2003, in the Official Records of Maricopa County, State of
10 Arizona.

11 Subsequently, Lender's interest in the Deed of Trust was assigned and transferred to Citi.

12 On or about November 4, 2010, Debtors filed a voluntary petition under Chapter 11 of
13 the United States Bankruptcy Code and were assigned Bankruptcy Case No. 2:10-bk-35744-
14 RJH.

15 On or about July 22, 2011, Citi filed its Motion for Relief from the Automatic Stay to
16 protect its interest in the Subject Property.

17 On or about August 5, 2011, Debtors filed an Objection to Citi's Motion for Relief.

18 On or about August 23, 2011, Debtors filed their Chapter 11 Plan of Reorganization
19 ("Plan") and Disclosure Statement.

20 **THE PARTIES STIPULATE AS FOLLOWS:**

21 1. Citi shall have a fully secured claim in the amount of \$64,500.00 (the "Secured
22 Claim") amortized over thirty (30) years at 5.25% interest per annum.

23 2. Citi shall have an unsecured claim (the "Unsecured Claim"). Citi shall receive, in
24 full and final satisfaction of its Unsecured Claim, its pro rata share of the dividend issued to
25 general unsecured creditors.

26 3. Debtors shall tender regular monthly principal and interest payments in the sum of
27 **\$356.17** to Citi for the Secured Claim commencing **February 1, 2012**, and continuing until all
28 such outstanding amounts under the Secured Claim are paid in full.

1 4. Debtors shall maintain real property taxes and real property hazard insurance for
2 the Subject Property and provide proof of said insurance to Citi on a timely basis.

3 5. Except as otherwise expressly provided herein, all remaining terms of the Note
4 and Deed of Trust shall govern the treatment of Citi's Secured Claim.

5 6. In the event of any future default on any of the above-described provisions,
6 inclusive of this Stipulation, Citi shall provide written notice via certified mail to Patrick and
7 Rebecca Schmidt at 1620 E Earll, Phoenix, AZ 85016, and to Debtors' attorney of record, Robert
8 M. Cook at 219 W Second St, Yuma, AZ 85364, indicating the nature of default. If Debtors fail
9 to cure the default with certified funds after passage of thirty (30) calendar days from the date
10 said written notice is placed in the mail, then the Automatic Stay shall terminate and Citi may
11 proceed to foreclose its security interest in the Subject Property under the terms of the Note and
12 Deed of Trust and pursuant to applicable state law and thereafter commence any action necessary
13 to obtain complete possession of the Subject Property without further notice, order, or
14 proceeding of this Court.

15 7. The acceptance by Citi of a late or partial payment shall not act as a waiver of
16 Citi's right to proceed hereunder.

17 8. In the event that Citi is granted relief from the automatic stay, the parties hereby
18 stipulate that the 14-day stay provided by Bankruptcy Rule 4001(a)(3) is waived.

19 9. In the event the Debtors default under this Stipulation and Citi forwards a 30-day
20 letter to Debtors, they shall be required to tender \$100.00 for each default letter submitted in
21 order to cure the default.

22 10. At the request of Citi, the Debtors shall execute such documents and instruments
23 as are necessary to reflect the Debtors as the borrowers of the Secured Claim, and to modify the
24 terms of the obligation to conform with the provisions of the this Stipulation.

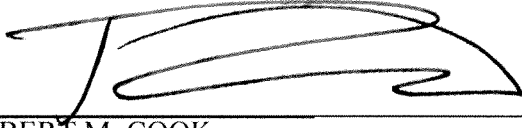
25 11. The terms of this Stipulation may not be modified, altered, or changed by the
26 Plan, any confirmation order thereon, any subsequently filed Amended Chapter 11 Plan of
27 Reorganization and confirmation order thereon without the express written consent of the Citi.
28 The terms of this Stipulation shall be incorporated into the Plan and/or any subsequently filed

1 Amended Chapter 11 Plan of Reorganization.

2 12. In the event the Debtors' case is dismissed or converted to any other chapter
3 under Title 11 of the United States Bankruptcy Code, Citi shall retain its lien in the full amount
4 due under the Note and the automatic stay shall be terminated without further notice, order, or
5 proceeding of the court.

6 **IT IS SO STIPULATED:**

7
8 Dated: _____



ROBERT M. COOK
Attorney for the Debtors Patrick Schmidt and
Rebecca Schmidt

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12 PITE DUNCAN, LLP

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14 Dated: January 13, 2012

Jamin S. Neil

JAMIN S. NEIL
Attorneys for CitiMortgage, Inc.